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Filing date: **12/17/2012**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92054573
Party	Defendant Ortronics, Inc.
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Signature	/s/Mark D. Giarratana
Date	12/17/2012
Attachments	Exhibit MM to Smith Dec.pdf (17 pages)(1575860 bytes) Exhibit NN to Smith Dec.pdf (3 pages)(561789 bytes) Exhibit OO to Smith Dec.pdf (3 pages)(569036 bytes) Exhibit PP to Smith Dec.pdf (6 pages)(286965 bytes) Exhibit QQ to Smith Dec.pdf (9 pages)(858350 bytes)

EXHIBIT MM

Cancellation Proceeding No. 92054573
LayerZero Power Systems, Inc. v. Ortronics, Inc.

Exhibit Offered by Ortronics, Inc.



LAYERZERO

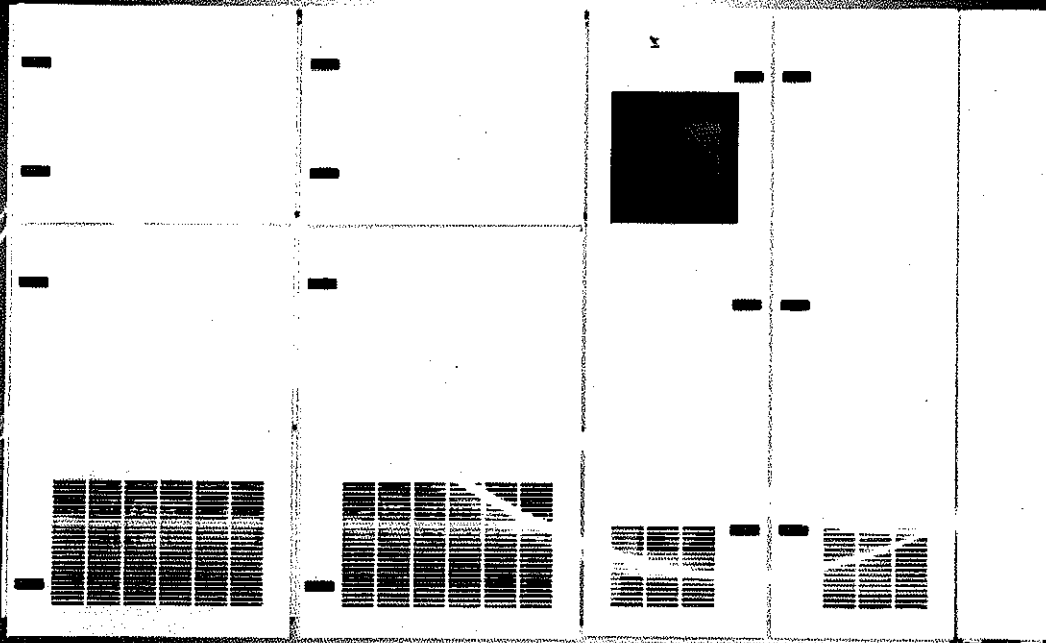
POWER SYSTEMS, INC.

The Foundation Layer



Product Catalog

Safety | Reliability | Connectivity | Monitoring

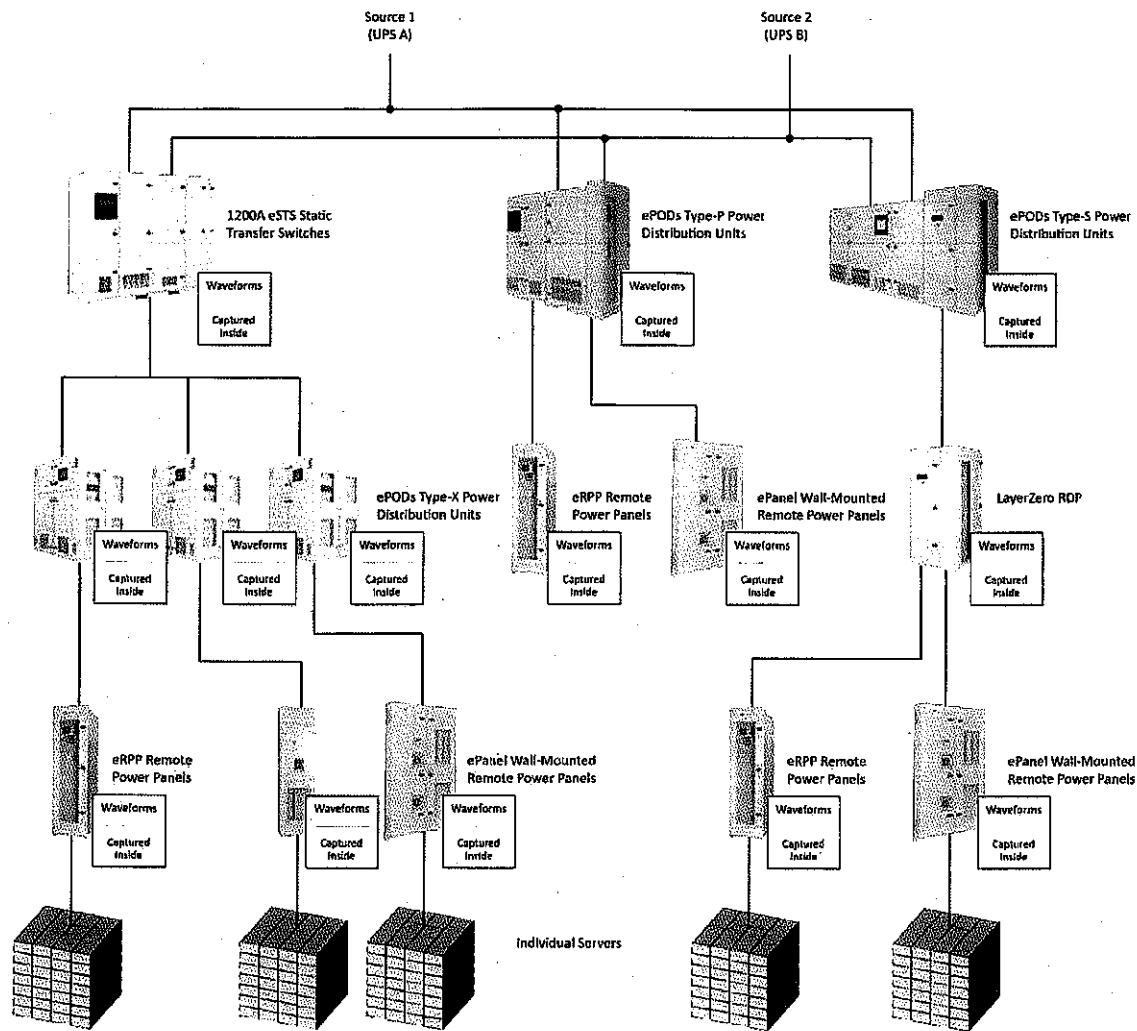


Providing End-To-End Solutions

LayerZero Power Systems designs high-reliability Static Transfer Switches, Power Distribution Units, and Remote Power Panels, providing mission-critical infrastructure that delivers uptime 24x7.

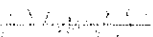
Specializing in providing power distribution solutions for applications that demand the highest availability, LayerZero Power Systems provides a suite of power reliability products that are highly configurable.

Our web-enabled products provide seamless integration between facilities and IT, and service is backed by our team of highly-specialized, LayerZero-certified Customer Service Engineers.



Waveforms Captured Inside!

Waveforms



Captured
Inside

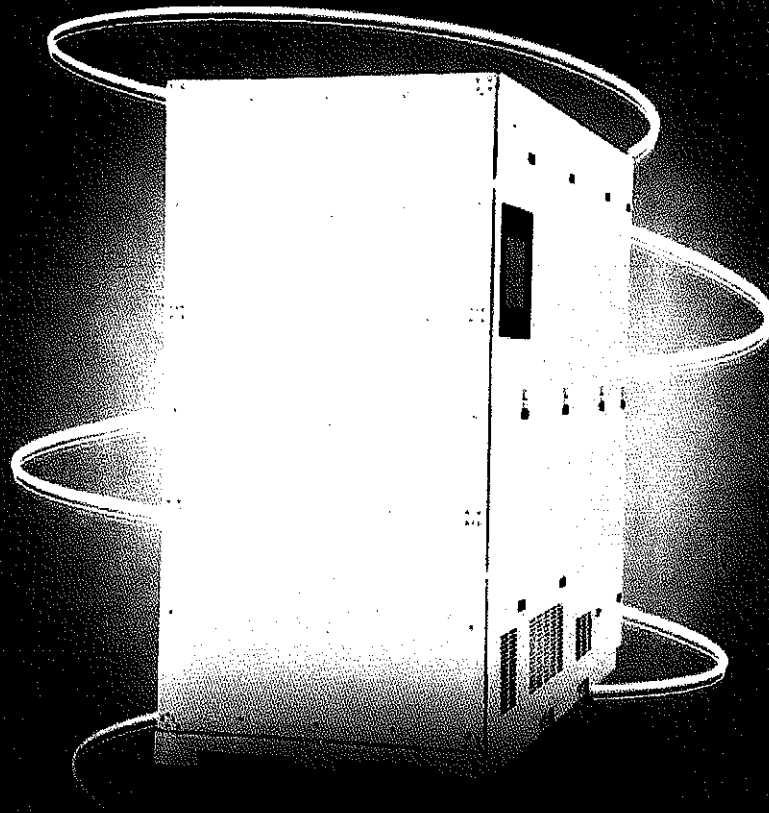
No more guessing what happened while no one was watching. The electrons that caused your incident were captured by LayerZero's built-in Waveform Capture facility.

A Complete Solution For Critical Power

LayerZero Power Systems designs reliable power distribution solutions that are safe, well-connected, with highly-innovative remote monitoring functionality. Designed for open interconnectivity, LayerZero Power Systems solutions deliver proven reliability that mission-critical facilities demand, while equipping IT with power usage information that can be utilized to help maximize efficiency. With LayerZero waveform capture, connected equipment brings unparalleled insight into the entire power flow.

Power Systems That Are Safe To Maintain

LayerZero products are designed for long-term reliability. Constructed to achieve 20-year reliability, LayerZero products are safe to maintain, reliable to update, and based on open standards that will be accessible over the entire life-span of the product installation. Serviced by our team of LayerZero-certified Customer Service Engineers, you can be assured that your LayerZero installation will perform reliably throughout the lifespan of your data center.

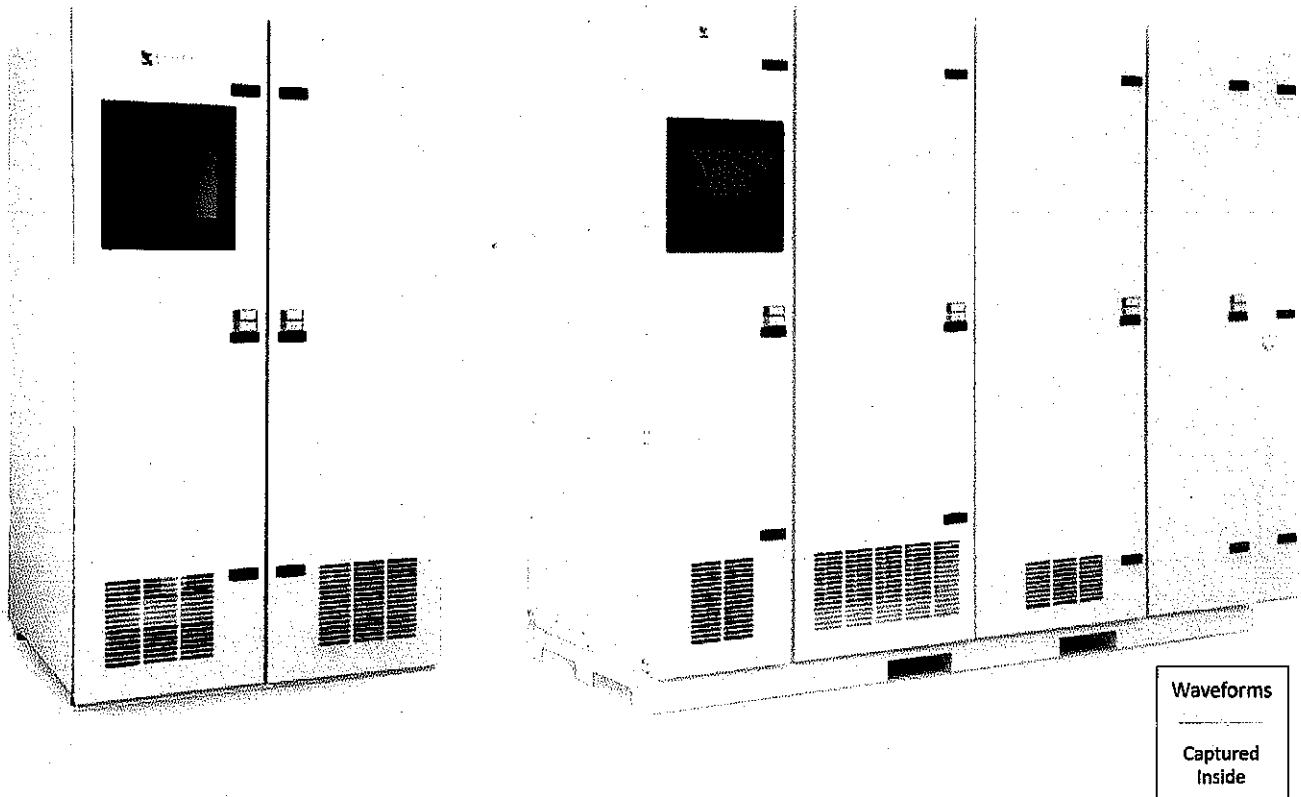


Designed For Reliability

LayerZero Power Systems Static Transfer Switches provide reliable power transfers between multiple sources, all the time, every time.

Designed for applications that require the highest standard in power reliability, the LayerZero Series 70 eSTS: Static Transfer Switch provides unparalleled power protection, a last line of defense before the critical load is compromised.

Our eSTS products contain Black Box Forensic technologies, which record the power system parameters at the inputs and output of the static switch before, during and after transfers.



The Series 70 eSTS is a Static Transfer Switch

Providing Reliable Power Transfers

A Static Transfer Switch has two input sources of power and one output. If the preferred source falls out of specification, it transfers to the alternate source well inside of ITIC limits (20 ms). The Series 70 eSTS is a Static Transfer Switch that is built with NFPA-70E in mind. The temperatures of all electrical connections can be measured by infrared thermography from the front without opening the dead front panel.

Available With Triple Modular Redundancy

Triple Modular Redundant Systems increase the probability of mission success by an order of magnitude during the operational life of the STS. TMR systems are deployed with three observers, three controllers, and three actuators (gate drives) for each pair of SCRs. With redundant power supplies and optical fiber communications, the STS is designed to continue to meet specification in the event of a catastrophic failure of one of the observer or controller or drive or power supply systems.

Designed For Long-Term Reliability

With appropriate and timely service and maintenance the TMR System can be Renewed to maintain virtually 100% probability of mission success. Triple Modular Redundancy is a proven topology in various life safety and mission critical systems across the industrial landscape. LayerZero is the only provider of the benefits of TMR in power distribution systems. TMR STS are ideally suited when reliability simply cannot be compromised in single cord or dual cord power systems.

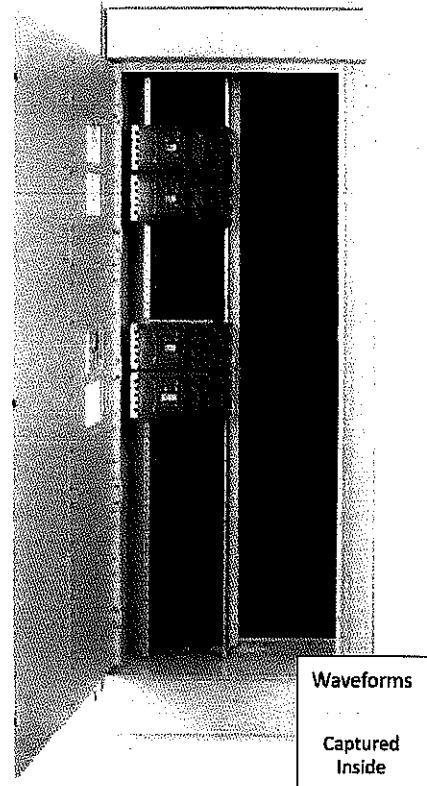
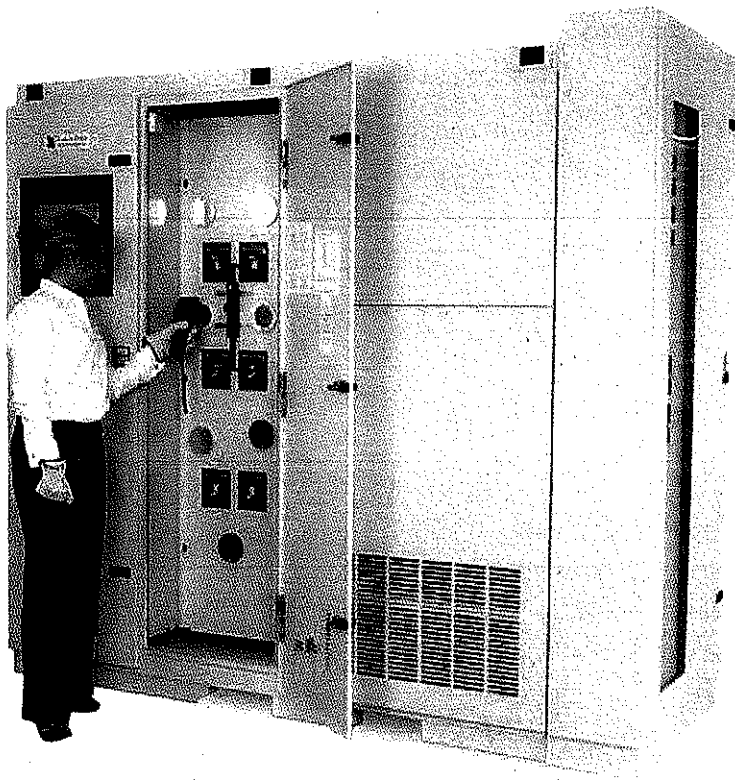


NFPA-70E Friendly

Our Series 70 product line was influenced by ideas promoted by NFPA-70E regarding operator safety. Innovative safety features, such as strategically-positioned IR-Scan portholes, help protect operators by allowing all bolted connections to be scanned with the deadfront closed. Fast-acting circuit breakers greatly reduce arc-flash levels.

InSight IR Portholes help ensure reliability by making scanning safe for the operator; frequent scans are possible because the door to risk remains closed.

Utilizing InSight™ IR Portholes in the data center as part of the preventive maintenance plan helps ensure maximum uptime while limiting the chance of risk to the operator.



The Series 70 ePODs is a Power Distribution Unit

Safe, Scalable Power Distribution

Series 70: ePODs Power Distribution Units are designed for operator safety, equipped standard with InSight™ IR Portholes, with optional SafePanel™ Distribution. LayerZero ePODs are highly configurable with static transfer switches, transformers, and power distribution options. The IP-20 Finger-Safe SafePanel™ allows for scalability that safely adapts to growing power needs.

InSight™ IR Portholes Permit Safe IR Scanning.

InSight™ IR Portholes are openings in LayerZero units with hinged covers for ease of thermal scanning of all bolted connections. Thermal scanning bolted connections is a common procedure for preventive maintenance. The covers of InSight™ IR Portholes swivel outward to reveal a mesh. The mesh helps protect operators, while ensuring full functionality of thermal scanning ability. The usage of InSight™ IR Portholes makes it safer for operators to measure bolted connections.

IP-20 Rated Finger Safe Panel Boards

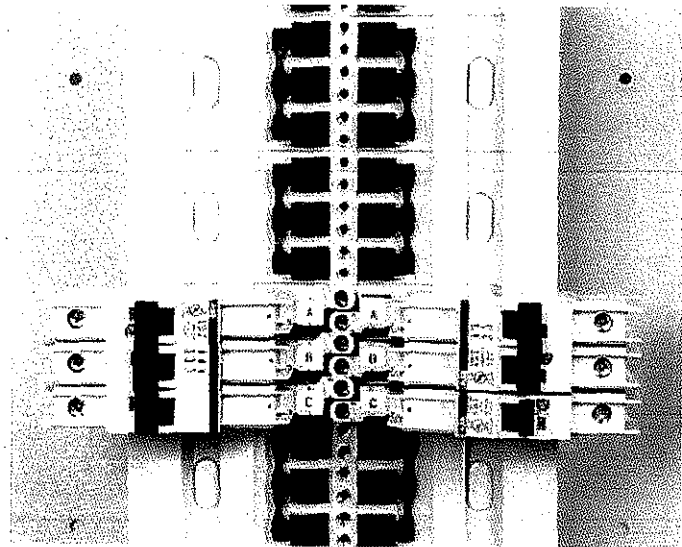
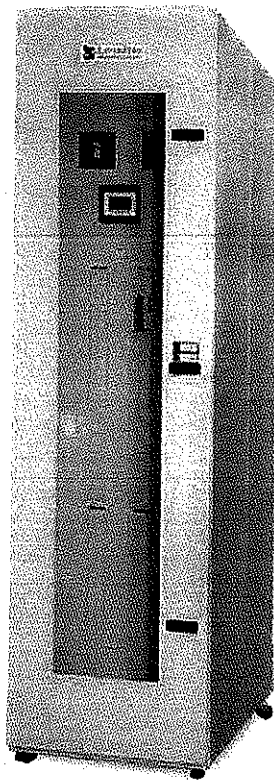
LayerZero Power Systems Power Distribution Units utilize IP-20 rated finger-safe panel distribution boards. The design of the panel board features recessed connection wells, helping to ensure safe installation of additional circuit breakers. Users installing additional breakers are not exposed to live bus. The subfeed breaker installation process permits the addition of capacity as needed, helping to permit scalability while providing superior safety and power reliability.



Connectivity That Integrates

No more lost or forgotten data downloads. LayerZero Power Systems has incorporated Bluetooth connectivity into the Series 70 eRPP. The result is wireless panel setup of equipment and panel names, set points, alarms and circuit breaker configuration while you are standing next to the unit. Related software package update is automatic.

Wireless connectivity utilizing Bluetooth to power distribution units maximizes safety, as the door of the PDU is not required to be open for connectivity. In addition, PDU connectivity that makes use of Bluetooth permits the utilization of a variety of devices, including laptops, tablets, and PDAs.



The LayerZero IP-20 Finger-Safe SafePanel™ Panel Board
You cannot touch live bus.

Waveforms
 Captured
 Inside

The Series 70 eRPP is a Web-Enabled Remote Power Panel

Highly Connected Power Distribution

The Series 70 eRPP has NFPA-70E in mind. It combines an IP-20 listed finger-safe SafePanel with fast acting breakers for reduced arc-flash. Category-0 clothing is all that is required. Selective trip coordination is guaranteed up to 35kAIC (500kVA transformer). With Bluetooth connectivity, branch circuit breakers can be fully configured immediately after installation.

Connectivity Over Open Protocols

Connectivity to open protocols is provided with the Series 70: eRPPs utilizing Modbus, Bluetooth, http, and SNMP. Bluetooth connectivity permits remote panel setup capabilities, so that users can wirelessly customize panel directories, set up circuit breaker sizes, and set up poles. A single Ethernet cable provides access to all media, including waveform capture, panel setup, and remote monitoring. Each eRPP unit functions as a web-server, allowing for remote connectivity for setup & analysis.

Wireless Bluetooth Connectivity

Bluetooth connectivity to LayerZero power distribution units enables facilities operators to set up additional breakers immediately after circuit breaker installation helping to improve productivity, while increasing accuracy of panel setup. Bluetooth connectivity permits panels to be set up safely, without opening the door. Compatible with a variety of devices, Bluetooth connectivity provides an effective means of wirelessly configuring PDUs safely, securely, and with higher reliability, at the point of impact.

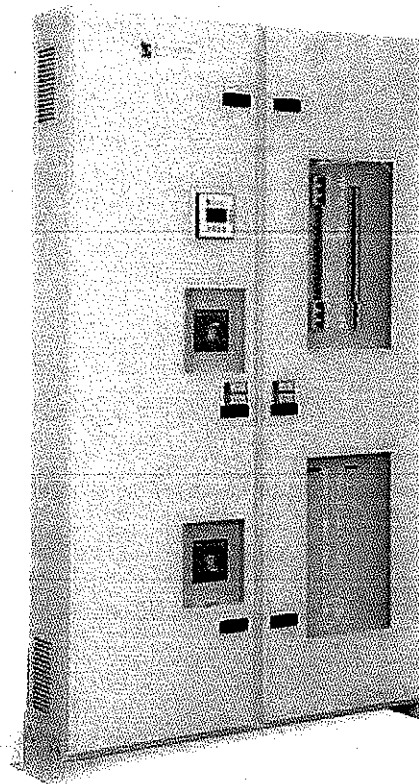
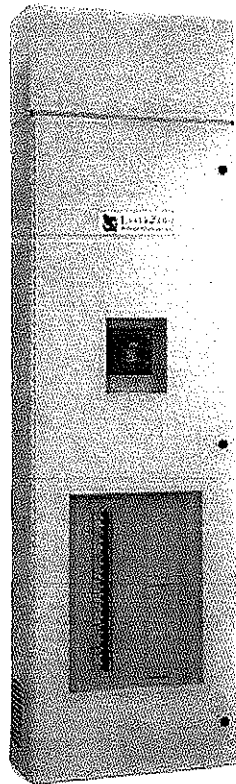


Design Integrated With Client Perspectives

Customer feedback drives the development process so that our products closely match the always-changing needs of our clients. We have an energized passion for designing the most innovative products in the industry, and take great pride in helping our customers succeed.

Many of the innovative features in LayerZero products have been inspired by client feedback, and we continue to strive for constant improvement by incorporating feedback into the design process.

We believe in process transparency, where open communication is embraced and difficult questions are robustly discussed. We foster this openness through our custom built web-based eBOSS (Web-Enabled Back Office System Software) portal, enabling project managers to plan more efficiently and effectively.



Waveforms
Captured
Inside

The Series 70 ePanel is a Wall-Mounted eRPP

Advanced Power Quality Monitoring Functionality

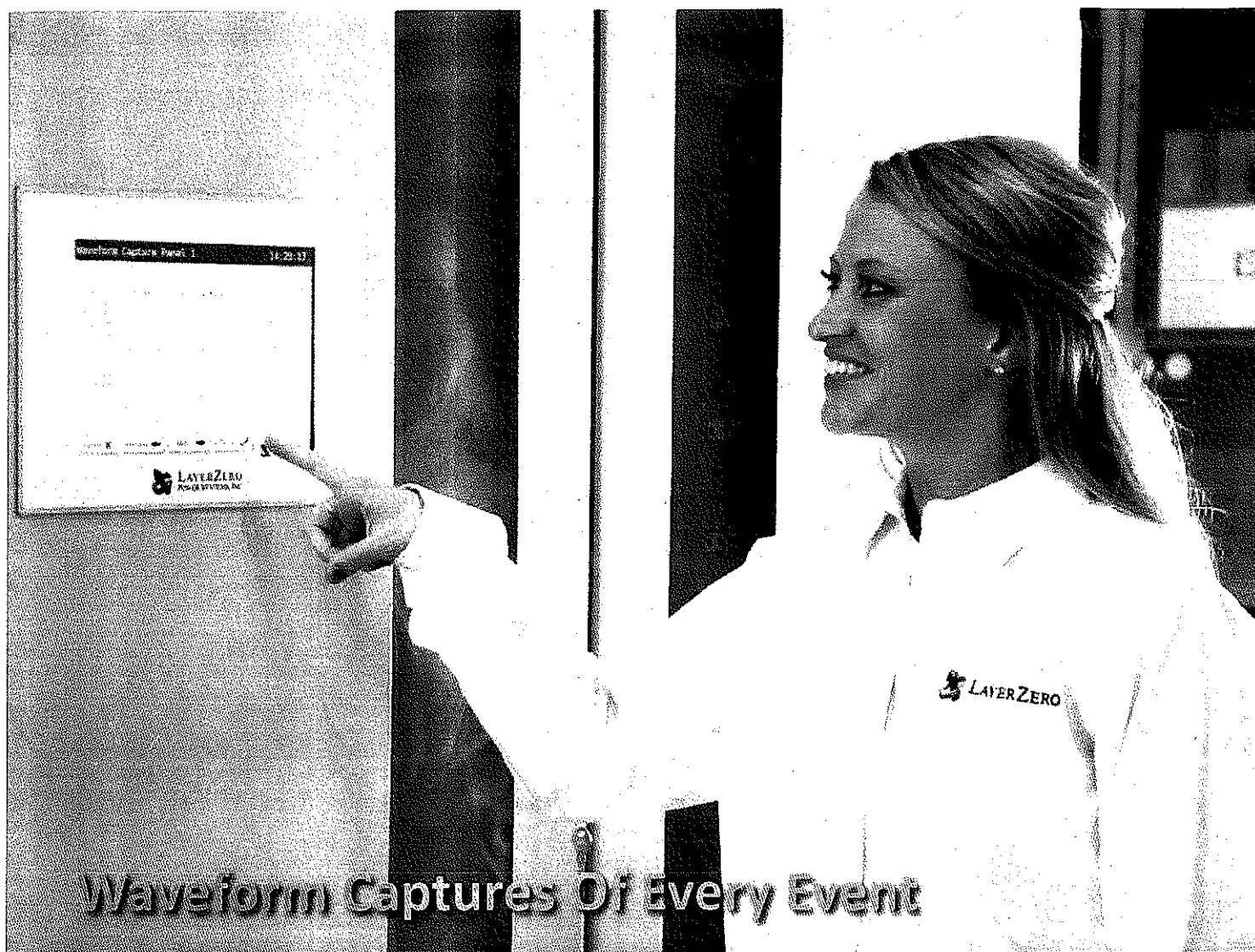
Web-enabled Series 70 ePanel Wall-Mounted Distribution Panels combine all the features of the eRPP and put it on the wall: IP-20 listed finger-safe SafePanel™, Category-0 PPE requirement, selective trip coordination to 35kAIC, Bluetooth connectivity, waveform capture on every breaker, Modbus/TCP, SNMP, HTTP web browsing protocols supported.

Native Waveform Capture Functionality

LayerZero products capture waveforms six cycles before and after all power events, including the mains and all branch circuit breakers. Users have the ability to remotely browse to eSTSs, PDUs and RPPs and view a NTP-clock synchronized time-sequenced set of waveforms of the entire power flow, natively designed into LayerZero power distribution products.

Power Quality Monitoring Capabilities

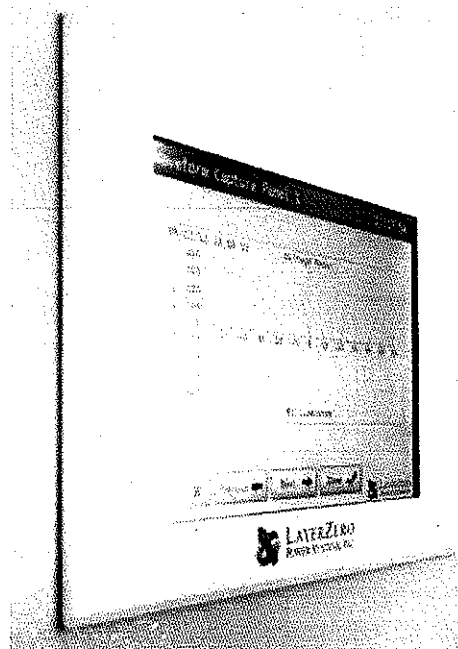
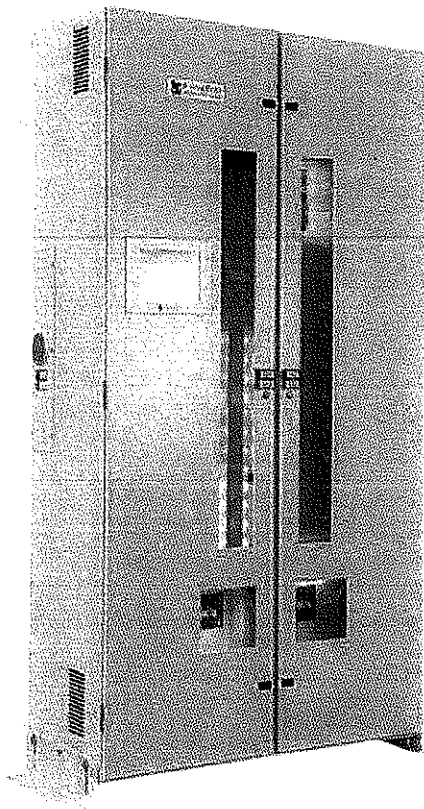
Real-time Waveform Capture and Forensic Diagnostics provide a complete log of power quality history. Waveform capture technologies are useful when analyzing infrastructure level disturbances and faults, for measuring power quality, and are designed for obtaining a detailed sequence of recorded events. This information can be quickly and easily accessed remotely over TCP/IP.



Waveform Captures Of Every Event

All LayerZero eSTS models provide precise voltage and current waveform capture recordings of: emergency transfers, manual transfers and transfer inhibit events. Waveform Capture is power quality evidence of what caused the transfer or transfer-inhibit to occur. LayerZero PQA chips will capture 6-cycles of voltage and current information for Source-1, Source-2 and the Output. This information can be viewed locally on the front panel, remotely via web-browser, or automatically via an email waveform attachment. Get to the root cause...all LayerZero equipment has ***Waveforms Captured Inside.***

LayerZero ePODs and eRPPs products provide branch monitoring and waveform capture functionality for every single pole of every branch breaker, also remotely accessible utilizing a standard web browser.



Waveform Capture of Mains and Breakers

Waveforms
Captured
Inside

The Series 70 ePanel-HD is a High-Density ePanel

High-Density, High-Reliability Distribution

Our Series 70 ePanel-HD is designed for applications that require higher kW capacity from three phase branch breakers. NFPA-70E operator safety is built-in. The IP-20 listed (finger-safe) modular latticework allows for the addition of 15-100A three-pole circuit breakers without exposure to live bus. Standard features include: Category-0 PPE requirement, guaranteed selective trip coordination, Bluetooth connectivity, waveform capture on every breaker, Modbus/TCP, SNMP, HTTP web browsing protocols supported .

Designed For Versatility

LayerZero products are highly configurable, and integrate well into a variety of data center installations. The Series 70 ePanel is a high-density Remote Power Panel designed for high-density environments, providing improved efficiencies by bringing distribution closer to the load. The footprint of the ePanel HD fits is small, yet installation of additional circuit breakers is safe and spacious.

Waveform Capture Improves Reliability

Real-time Waveform Capture improves reliability by permitting facilities operators to view and analyze waveforms of historic power events. Past events can be accessed and viewed on the graphical interface, as well as over remote connections. Every pole of every breaker, including the mains, is automatically captured every time a power event, such as an alarm, is triggered.



eBOSS

Web-Enabled Back-Office
System Software

Our eBOSS Configurator is Client Ready

Electrical distribution systems can be configured many different ways. Here is a tool for clients to design equipment and produce specifications at the same time.

The eBOSS Configurator provides power distribution professionals with the ability to design and manage custom LayerZero products quickly and easily. Designed as a tool to help engineers and electrical contractors streamline the planning process, the Configurator provides an interface for creating custom configured products and exporting CSI formatted product specifications.

The service ensures accuracy through a dynamic menu system that constrains available options based on compatibility, and provides detailed documentation of each configuration step.



World-Class Customer Service & Support

Highly-Trained & LayerZero-Certified

LayerZero Power Systems has a network of Customer Service Engineers located nationwide to provide product installations as well as regularly scheduled preventive maintenance on LayerZero products. LayerZero Customer Service Engineers are able to provide knowledge and advice on LayerZero products, as well as power reliability best-practices. LayerZero Customer Service Engineers are highly trained, equipped with advanced monitoring tools, capable of providing service and support 24 hours a day, 7 days a week.

Process Transparency

We believe in process transparency, where open communication is embraced and difficult questions are robustly discussed. We foster this openness through our custom built web-based eBOSS (Web-Enabled Back Office System Software) portal. eBOSS enables project managers to plan more efficiently and effectively, providing access to critical job-information, such as drawings, specifications, and critical board tracking.

Projects Management Support

Our Products Management Support is a data-driven process that analyses your goals and explores options on how to achieve them. electrical engineers, construction firms, and data center professionals. LayerZero Power Systems Projects Managers are well experienced with access to a diverse range of knowledge, and can help your organization make sound, well thought-out, and reliable power distribution system implementations.



Learn more at www.LayerZero.com

LayerZero Power Systems, Inc.
Chagrin Falls, OH 44023

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All product specifications are subject to change without notice.

EXHIBIT NN

Cancellation Proceeding No. 92054573
LayerZero Power Systems, Inc. v. Ortronics, Inc.

Exhibit Offered by Ortronics, Inc.

Voice Prompted Bypass

InSight™ IR Portholes

Bluetooth Connectivity

- Process

Critical Board Tracking

Firmware Tracking

Real Time Production Test Reports

Start Up Reports

Incident Tracking

Field Service Tracking

Order Tracking

Projects Management Support

[Home](#) > [Corporate](#) > [What Is LayerZero?](#)



What Is LayerZero?

The rapid convergence of communications and computing at the turn of the century spawned internetworks: clusters of computers across geographies that interact with each other. Internetworks have become the life-blood of modern society.

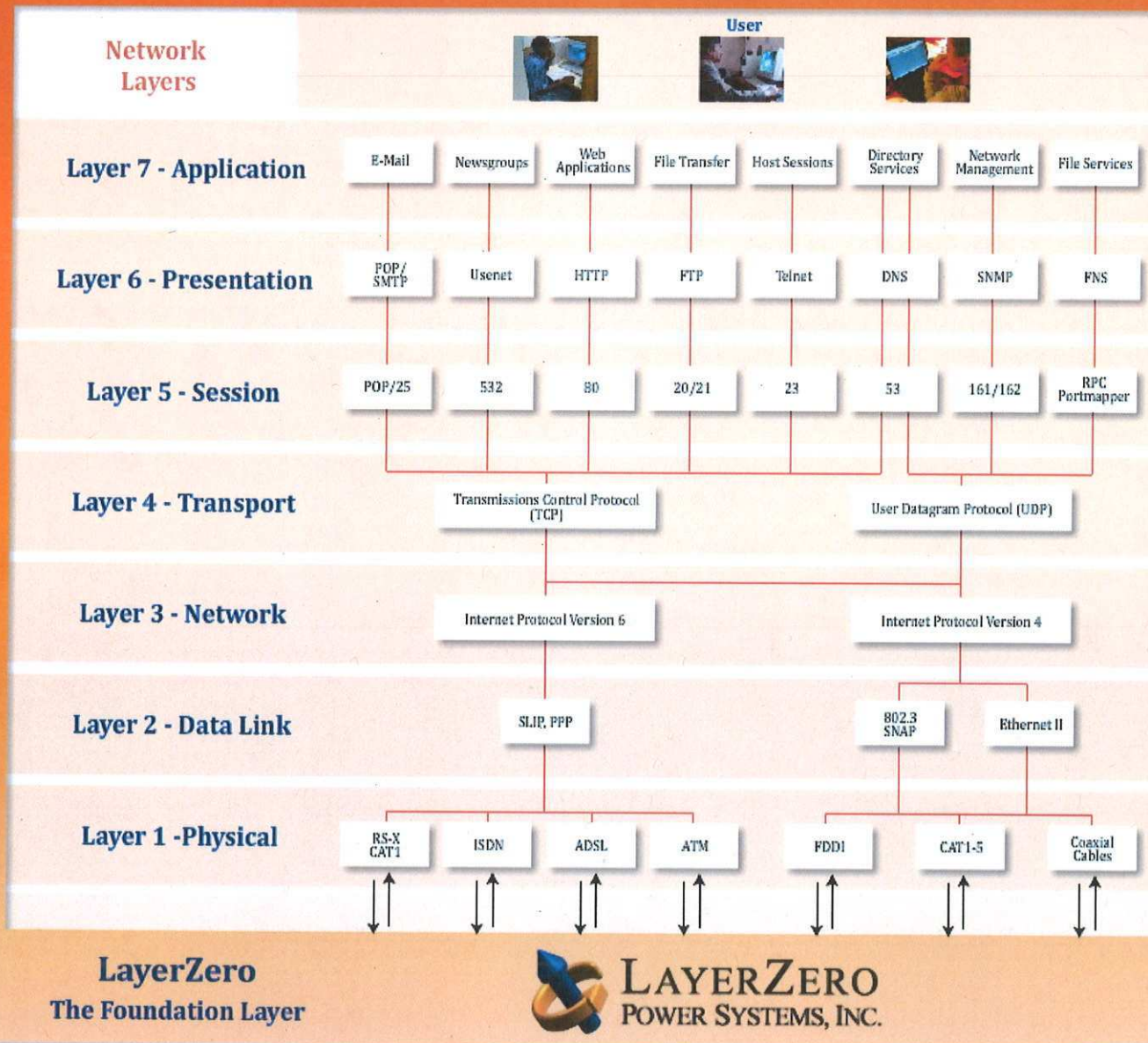
The Open System Interconnection (OSI) reference model conceptualizes the means by which information from an application in one computer travels through a network to an application in another computer in an adjacent internetwork. It is comprised of seven layers (layers 1 through 7), each specifying particular network functions. The model was developed by the International Organization for Standardization (ISO), and it is now considered the primary architectural model for intercomputer communications.

LayerZero Power Systems was founded on the principle that the internetwork needs to be built on a robust *foundation layer* of power system infrastructure. The so-called "zero-eth" layer of the ISO/OSI reference model needs to be comprised of ultimately reliable, safe, information centric and a highly connected set of power distribution products and processes. **LayerZero is the foundation.**

[Learn more about The eOSI Model](#)

[The Extended OSI Model](#) >

The ISO/OSI Layered Model Of Network Architecture



Corporate	Products	Innovations	Contact Us
What Is LayerZero?	Product Selector	Safety	Rep Finder
The Extended OSI Model	Static Transfer Switches	Technologies	Upcoming Events
LayerZero Canada	Power Distribution Units	Industry Firsts	Addresses
History	Remote Power Panels		Driving Directions
Leadership Team			Feedback
Literature			Emergency Response Phone Number
Business Philosophy			
Manufacturing Alliance			
Customer Base			



EXHIBIT OO

Cancellation Proceeding No. 92054573
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Exhibit Offered by Ortronics, Inc.





EXHIBIT PP

Cancellation Proceeding No. 92054573
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Exhibit Offered by Ortronics, Inc.

LEXSEE



Analysis
As of: Dec 13, 2012

**CONNECTICUT COMMUNITY BANK, NATIONAL ASSOCIATION, Plaintiff, v.
THE BANK OF GREENWICH, Defendant.**

CIVIL ACTION NO. 3:06-cv-1293 (VLB)

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF CONNECTICUT

2008 U.S. Dist. LEXIS 9726

**February 11, 2008, Decided
February 11, 2008, Filed**

SUBSEQUENT HISTORY: Injunction granted at, Judgment entered by Conn. Cmty. Bank v. Bank of Greenwich, 2008 U.S. Dist. LEXIS 67428 (D. Conn., Sept. 5, 2008)

PRIOR HISTORY: Conn. Cmty. Bank v. Bank of Greenwich, 2007 U.S. Dist. LEXIS 32670 (D. Conn., May 2, 2007)

CASE SUMMARY:

PROCEDURAL POSTURE: Plaintiff bank brought this action against defendant alleged infringer alleging trademark infringement in violation of the Lanham Act, 15 U.S.C.S. § 1051 et seq. Currently before the court was defendant's motion in limine that sought to preclude plaintiff from introducing at trial their "confusion logs," and testimony regarding the contents of those logs, as evidence of actual confusion between plaintiff and defendant.

OVERVIEW: Plaintiff was created through the merger of smaller banks, including The Greenwich Bank & Trust Company. It continued to operate banks bearing the mark The Greenwich Bank & Trust Company. Plaintiff alleged that defendant's use of the name The Bank of Greenwich was likely to cause confusion with plaintiff's mark, The Greenwich Bank & Trust Company. To prove actual confusion, plaintiff proposed to introduce at trial its confusion logs, which were standard forms completed by employees memorializing instances of actual customer confusion. Defendant argued that the customer confu-

sion documented in the logs constitutes inadmissible hearsay. The court held that the information contained in the confusion logs and the accompanying testimony of the employee who witnessed the customer's confusion was admissible to show the customer's then existing state of mind of confusion, pursuant to Fed. R. Evid. 803(3). The court rejected defendant's objection to the admission of certain confusion logs not prepared contemporaneously with the instances of actual confusion, as the court already found the logs admissible pursuant to the declarant's then existing state of mind under Rule 803(3).

OUTCOME: The court denied defendant's motion.

CORE TERMS: log, admissible, declarant, customer's, consumer, hearsay, marketplace, state of mind, banking, toy, Lanham Act, lower price, water bottles, admissibility, affiliation, similarity, introduce, anecdotal, purchaser, confused, limine, Federal Rules

LexisNexis(R) Headnotes

Trademark Law > Likelihood of Confusion > Consumer Confusion > Circuit Court Factors > 2nd Circuit Court

[HN1]The Second Circuit evaluates the likelihood of confusion using the eight factors identified in Polaroid Corp. One Polaroid factor the court considers is evidence of actual confusion between the parties' products or services. The owner of a mark may introduce anecdotal evidence of actual confusion in support of its claims.

Anecdotal evidence is admissible to establish actual consumer confusion.

Evidence > Hearsay > Exceptions > State of Mind > General Overview

Evidence > Hearsay > Rule Components > General Overview

[HN2]Hearsay is an out-of-court statement admitted for the truth of the matter asserted. Fed. R. Evid. 801. Fed. R. Evid. 803(3) allows statements, otherwise excluded as hearsay, to be received to show the declarant's then-existing state of mind.

Trademark Law > Likelihood of Confusion > Consumer Confusion > General Overview

[HN3]Evidence of actual confusion regarding affiliation or sponsorship is also entirely relevant to the ultimate likelihood-of-confusion inquiry.

Evidence > Hearsay > Exceptions > Present Sense Impression > General Overview

[HN4]Federal Rule of Evidence 803(1) permits statements describing an event or condition made while the declarant was perceiving the event or condition or immediately thereafter.

Evidence > Hearsay > Exceptions > Spontaneous Statements > General Overview

[HN5]Fed. R. Evid. 803(2) permits statements relating to a startling event or condition made while a declarant was under the stress or excitement caused by the condition.

COUNSEL: [*1] For Connecticut Community Bank, Natl Assn, Plaintiff: Edward R. Scofield, LEAD ATTORNEY, Zeldes, Needle & Cooper, Bridgeport, CT; Judith Sapp, LEAD ATTORNEY, Komondorok, LLC, Portland, ME.

For Bank Of Greenwich, Defendant: Edward R. Scofield, LEAD ATTORNEY, Zeldes, Needle & Cooper, Bridgeport, CT; Michael T. McCormack, Paul Guggina, LEAD ATTORNEYS, Tyler Cooper & Alcorn - Htfd, Hartford, CT.

JUDGES: Vanessa L. Bryant, United States District Judge.

OPINION BY: Vanessa L. Bryant

OPINION

MEMORANDUM OF DECISION AND ORDER DENYING THE DEFENDANT'S MOTION IN LIMINE TO PRECLUDE CONFUSION LOGS [DOC. # 57]

The plaintiff, Connecticut Community Bank, N.A. ("CCB"), brings this action against the defendant, The Bank of Greenwich ("BOG"), alleging trademark infringement in violation of the Lanham Act, 15 U.S.C. § 1051 et seq. Currently before the court is BOG's motion *in limine* that seeks to preclude CCB from introducing at trial their "confusion logs," and testimony regarding the contents of those logs, as evidence of actual confusion between CCB and BOG. For the reasons hereinafter set forth, the motion is DENIED.

CCB was created through the merger of smaller banks operating in Connecticut, including The Greenwich Bank & Trust Company. [*2] It continues to operate banks bearing the mark The Greenwich Bank & Trust Company. CCB alleges that BOG's use of the name, The Bank of Greenwich, is likely to cause confusion with CCB's mark The Greenwich Bank & Trust Company in violation of the Lanham Act, 15 U.S.C. § 1114(1)(a).

[HN1]The Second Circuit evaluates the likelihood of confusion using the eight factors identified in Polaroid Corp. v. Polarad Electronics Corp., 287 F.2d 492 (2d Cir. 1961). One Polaroid factor the court considers is evidence of actual confusion between the parties' products or services. *Id.* at 495. The owner of a mark may introduce anecdotal evidence of actual confusion in support of its claims. Nora Bevs Inc. v. Perrier Group of Am., 269 F.3d 114, 124-25 (2d Cir. 2001) ("anecdotal evidence is admissible to establish actual consumer confusion").

To prove actual confusion, CCB proposes to introduce at trial its "confusion logs," which are standard forms completed by employees memorializing alleged instances of actual customer confusion. To support the evidence contained in the confusion logs, CCB also plans to have the drafter of each log testify at trial. BOG objects to the introduction of the confusion logs in [*3] their entirety as evidence, and testimony in support thereof, because the customer confusion documented in the logs constitutes inadmissible hearsay.

More than a decade ago, the Second Circuit settled the question of admissibility of the proposed evidence in favor of admission in Fun-Damental Too v. Gemmy Indus. Corp., 111 F.3d 993 (2d Cir. 1997). That case presented facts on all fours with the case at bar. In *Fun-Damental*, the plaintiff sued the defendant for infringing on its mark through the sale of toy banks so similar to its own as to create a likelihood of confusion. The defendant appealed the district court's decision to allow, over its hearsay objection, employee testimony

regarding customer complaints of actual confusion, namely that other stores sold the plaintiff's toy bank at a lower price, when, in reality, the customer had seen the defendant's toy bank sold at the lower price. Id. at 1003. The Second Circuit held:

There is no hearsay problem. [HN2]Hearsay is an out-of-court statement admitted for the truth of the matter asserted. See Fed. R. Evid. 801. The testimony in question was not offered to prove that Fun-Damental was actually selling to some retailers at lower prices, [*4] but was probative of the declarant's confusion. Further, Federal Rule of Evidence 803(3) allows statements, otherwise excluded as hearsay, to be received to show the declarant's then-existing state of mind. The district court properly considered the statements. See Armco, Inc. v. Armco Burglar Alarm Co., Inc., 693 F.2d 1155, 1160 n.10 (5th Cir. 1982) (testimony by plaintiff's employees that customers called for defendant company was admissible to show confusion in minds of declarants).

Id. at 1003-04.

The same rule applies to the case at hand. The information contained in the confusion logs and the accompanying testimony of the employee who witnessed the customer's confusion is admissible to show the customer's then existing state of mind of confusion. Id.; see also Suisman, Shapiro v. Suisman, 2006 U.S. Dist. Lexis 8075 (D. Conn. Feb. 15, 2006).

BOG raises other objections to the admissibility of certain of the confusion logs. First, BOG objects to confusion logs describing the confusion of individuals who are not current, active customers of either BOG or CCB as irrelevant. The legal authority cited by BOG in support states that the relevant population group to analyze actual confusion [*5] is "consumers in the marketplace," Paco Sport, Ltd. v. Paco Rabanne Parfums, 86 F. Supp. 2d 305, 319 (S.D.N.Y. 2000), or "potential purchasers." Lobo Enters. Inc. v. Tunnel, Inc., 693 F. Supp. 71, 77 (S.D.N.Y. 1988). To be a consumer in the marketplace or a potential purchaser does not require the confused declarant to have an open bank account with either CCB or BOG. The declarant in each of the confusion logs appears to be a competent adult in Greenwich, Connecticut, in the midst of a conversation or transaction involving the banking services offered by CCB and BOG. These are all potential consumers of banking ser-

vices in the marketplace in which CCB and BOG offer banking services.

Second, BOG characterizes certain confusion logs (Exs. 30, 31, 34, 35, 42, 43, 46, 53, 56, 57) as inquiries into a possible affiliation between CCB and BOG, as opposed to instances of actual confusion between the banks. BOG quotes Nora Beverages for the proposition that "inquiries about the relationship between an owner of a mark and an alleged infringer do not amount to actual confusion." Nora Beverages, 269 F.3d at 124. As an initial matter, BOG inaccurately portrays the confusion logs in question, with [*6] the exception of Exhibit 57. All the other exhibits are clearly instances where a consumer in the marketplace actually confused CCB for BOG, or *vice versa*. The court also finds Exhibit 57 admissible, as the facts of this case are distinguishable from Nora Beverages. In that case, the mark in dispute was the physical design of water bottles that prominently displayed the dissimilar names of the plaintiff and defendant company. The statements excluded by the court were inquiries as to a relationship between companies based on the physical appearance of a product, despite the different labels.

The case at hand is more similar to Virgin Enterprises, Ltd. v. Tahir Nawab, 335 F.3d 141 (2d Cir. 2003). In Virgin, the court properly considered consumer inquiries into a relationship between the Virgin Wireless phone store owned by the defendant and the Virgin electronics stores owned by the plaintiff. Virgin Enters., 335 F.3d at 151. The similarity in name between the bank branches operated by CCB and BOG imply a relationship between the service providers, as opposed to a similarity in the product for sale, such as water bottles. Exhibit 57 is admissible as evidence of actual confusion. See Morningside Group, Ltd. v. Morningside Capital Group, L.L.C., 182 F.3d 133, 141 (2d Cir. 1999) [*7] ([HN3]"evidence of actual confusion regarding affiliation or sponsorship is also entirely relevant to the ultimate likelihood-of-confusion inquiry").

Finally, BOG objects to the admission of certain confusion logs not prepared contemporaneously with the instances of actual confusion. This argument was predicated on the court finding the documents admissible as a present sense impression exception to the hearsay rule, pursuant to [HN4]Federal Rule of Evidence 803(1), which permits statements describing an event or condition made while the declarant was perceiving the event or condition or immediately thereafter. As the court finds the logs admissible pursuant to Rule 803(3), which permits statements of a declarant's then existing state of mind, BOG's argument cannot preclude admission of the confusion logs. ¹ The court will, however, consider the totality of the circumstances surrounding the creation of the logs, including any time lapse between the alleged

instances of confusion and their memorialization as factors speaking to the credibility and weight of the evidence.

1 The court notes, however, that many of the confusion logs would also be admissible pursuant to Rule 803(1), or [HN5]Rule 803(2), [*8] which permits statements relating to a startling event or condition made while the declarant was under the stress or excitement caused by the condition.

Based on the above reasoning, the motion to preclude confusion logs and testimony regarding their contents as evidence at trial is DENIED. All evidence and

testimony introduced at trial must still comply with the Federal Rules of

Evidence and Federal Rules of Civil Procedure beyond this ruling.

IT IS SO ORDERED.

/s/

Vanessa L. Bryant

United States District Judge

Dated at Hartford, Connecticut: February 11, 2008.

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EXHIBIT QQ

Cancellation Proceeding No. 92054573
LayerZero Power Systems, Inc. v. Ortronics, Inc.

Exhibit Offered by Ortronics, Inc.

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As of: Dec 13, 2012

**V&S VIN & SPRIT AKTIEBOLAG (PUBL), Plaintiff, - against - ABSOLUTE
PUBLISHING USA INC., Defendant.**

05 Civ. 4429 (RMB) (RLE)

**UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF
NEW YORK**

2005 U.S. Dist. LEXIS 35899

November 22, 2005, Decided

SUBSEQUENT HISTORY: Adopted by, Injunction denied by V&S Vin & Spirit Aktiebolag (Publ) v. Absolute Publ'g USA Inc., 2006 U.S. Dist. LEXIS 2704 (S.D.N.Y., Jan. 25, 2006)

CORE TERMS: magazine's, absolut, trademark, consumer, vodka, preliminary injunction, general interest, weigh, advertisement, trademark infringement, registration, distinctive, confuse, beauty, irreparable harm, similarity, alcoholic beverage, distinctiveness, sophistication, buyer, competitive, proximity, relevance, hardship, confused, hair, user's, buy, Lanham Act, advertising campaign

COUNSEL: [*1] For Plaintiff: Ann E. Schofield, Chryssa V. Valletta, Joanne Ludovici-Lint, Robert W. Zelnick, McDermott, Will & Emery, New York, NY.

For Defendant: Douglas W. Wyatt, Wyatt, Gerber & O'Rourke, New York, NY.

For V&S Vin & Spirit Aktiebolag (Publ), Plaintiff: Ann E. Schofield, Chryssa V. Valletta, Ann Elizabeth Schofield, McDermott, Will & Emery, LLP, New York, NY; Joanne Ludovici-Lint, Robert W. Zelnick, McDermott, Will and Emery, Washington, DC.

For Absolute Publishing, USA Inc., Defendant: Douglas William Wyatt, Wyatt, Gerber & O'rourke LLP, New York, NY.

JUDGES: The Honorable Ronald L. Ellis, United States Magistrate Judge. HONORABLE RICHARD M. BERMAN.

OPINION BY: Ronald L. Ellis

OPINION

REPORT AND RECOMMENDATION

To the HONORABLE RICHARD M. BERMAN:

I. INTRODUCTION

Plaintiff V&S Vin & Sprit Aktiebolag (Publ) ("V&S") seeks to enjoin defendant Absolute Publishing USA Inc. ("Absolute") from using the word "absolute" in the title of its general interest magazine focused on luxury living in New York City. V&S owns over twenty-five trademarks covering a variety of goods and services, most of which relate to the sale and promotion of its well-known product, Absolut [*2] Vodka. V&S claims Absolute's magazine infringes on the company's Absolut trademark in violation of the Lanham Act. While V&S has also raised a claim of trademark dilution under 15 U.S.C. § 1125(c), the motion for preliminary injunction is based on the company's claims under 15 U.S.C. § 1114 and 1125(a) for trademark infringement. For the reasons that follow, I recommend that the motion for preliminary injunction be **DENIED**.

II. BACKGROUND

V&S, a Swedish company, owns many trademarks, but has received the most attention for its advertising campaign for Absolut Vodka featuring Absolut's distinctive bottle and a two-or-three word slogan. *See* Declaration of Eva Kempe-Forsberg in Support of Plaintiff's Motion for Preliminary Injunction ("Kempe-Forsberg Decl."), Exh. 2. V&S also owns a trademark named "Absolut Reflexions" for "magazines for people engaged in the production, marketing, and sale of vodka." Plaintiff's Memorandum of Law in Support of its Motion for Preliminary Injunction ("V&S Mem.") at 4. Under this trademark, V&S publishes *Absolut Reflexions*, a free trade publication for "distributors, retailers, bartenders [*3] and others involved in the alcoholic beverage industry." *Id.* at 8; *see* Kempe-Forsberg Decl., Exh. 9. V&S also maintains a website, absolut.com, under a registration for providing internet-based information and entertainment in the fields of art and culture. V&S Mem. at 4. Both the website and the trade publication are geared toward the alcoholic beverage industry, but V&S maintains that the publications address a wider range of topics, including "current events in art, fashion, trade, and contemporary culture in various U.S. cities, including New York City." V&S Mem. at 8.

Absolute Publishing issues a general interest magazine which bears the title "Absolute," with a small byline, either "New York At Its Best" or "New York." Declaration of Joanne Ludovici-Lint in Support of Plaintiff's Motion for Preliminary Injunction ("Ludovici-Lint Decl."), Exh. D; Declaration of Charles A. Garza in Opposition to Plaintiff's Motion for a Preliminary Injunction ("Garza Decl."), Exh. 2. Besides the magazine's title, V&S argues that various aspects of Absolute's advertising campaign demonstrate that Absolute acted with intent to confuse the two trademarks. V&S Mem. at 20. An announcement [*4] for the new magazine described it as "an authoritative look at the ultimate high-end products and services in the arenas of fashion, beauty, fitness, dining, art, jewelry and watches, automobiles, and travel." Ludovici-Lint Decl., Exh. B. Absolute's announcement also said, "We hope your appetite has been whet," and "Look for your first taste of Absolute to arrive soon." *Id.* The magazine's first issue was released in March of 2005. The cover featured a picture of an alcoholic drink and one article was a profile of a Swedish count. V&S Mem. at 9. Absolute publicized its magazine in two March issues of *Impact*, a trade magazine for executives in the alcoholic beverage industry, with an advertisement titled, "tasteless? ABSOLUTELY NOT." *Id.* Furthermore, in the "From the Editor" section of the first issue, the Absolute editor reported that the magazine had received calls from people who had received the announcement described above, asking if the magazine was related to the vodka. *Id.* at 9. V&S presents this "admission" as evidence of actual confusion by consumers. *Id.*

III. DISCUSSION

A. Standard for Preliminary Injunction

For [*5] a preliminary injunction to be granted, the moving party must show "irreparable harm in absence of an injunction" and either "a likelihood of success on the merits" or "a sufficiently serious question going to the merits and a balance of hardships tipping decidedly in the moving party's favor." Brennan's, Inc. v. Brennan's Rest., L.L.C., 360 F.3d 125, 129 (2d Cir. 2004). In a trademark infringement case, a showing of likelihood of confusion between the two marks establishes both irreparable harm and success on the merits. *Id.*

B. Success on the Merits

The Lanham Act protects trademark owners against confusion as to "affiliation, connection, or association" in the marketplace. 15 U.S.C. § 1125(a)(1)(A). The components of a claim under the Lanham Act are a showing that 1) the plaintiff owns a "valid mark subject to protection;" and 2) the "defendant's mark results in a likelihood of confusion" between the two marks. Brennan's, 360 F.3d at 129. V&S claims its marks deserve broad protection given the strength of the Absolut trademark and its status as a famous "premium lifestyle brand." V&S Mem. [*6] at 2. Absolute argues, however, that V&S's protection is limited to the goods and services listed within the registrations of its trademarks, none of which are for a general interest magazine. Defendant's Memorandum of Law in Opposition to Plaintiff's Motion for a Preliminary Injunction ("Absolute Mem.") at 1.

1. Protectable Mark

The protection afforded a mark depends on the degree of its distinctiveness. The five classic categories, from least distinctive to most distinctive, are labeled: 1) generic; 2) descriptive; 3) suggestive; 4) arbitrary; or 5) fanciful. Two Pesos, Inc. v. Taco Cabana, Inc., 505 U.S. 763, 768, 112 S. Ct. 2753, 120 L. Ed. 2d 615 (1992). For example, a generic mark, describing the general character of a product, is entitled to no trademark protection. The Absolut trademark, however, is fanciful as it is "made-up to identify the trademark owner's product," *id.*, and is therefore entitled to a high degree of protection. Furthermore, the Absolut and *Absolut Reflexions* trademarks are incontestable by operation of law under 15 U.S.C. §§ 1065 and 1115(b). *See* Brennan's, 360 F.3d at 130. Other courts have found [*7] V&S trademarks to be protectable interests. *See* V&S Vin & Sprit Aktiebolag v. Hanson, 61 U.S.P.Q.2d 1277, 1279 (E.D. Va. 2001) (finding defendant's use of "Absolut Beach," "absolutbeach.com," and "absolutebeach.com" infringed V&S's Absolut trademark for swimwear); V

& S Vin & Sprit Aktiebolag v. Cracovia Brands, Inc., 69 U.S.P.Q.2d 1701, 1702 (N.D. Ill. 2004) (finding Absolut to be "clearly a famous mark" but denying summary judgment to V&S against vodka company with product named "Absolwent"). Absolute does not dispute the incontestability of V&S's trademarks, but instead argues that incontestability does not afford an infringement claim for goods and services not stated in the trademark registrations, noting that V&S does not own a trademark for a general interest magazine. Absolute Mem. at 16-18.

Once a mark becomes incontestable, registration is "conclusive evidence of the validity of the registered mark and . . . of the registrant's exclusive right to use the registered mark in commerce." 15 U.S.C. § 1115(b). However, this evidence "extends only so far as the goods or services noted in the registration [*8] certificate." Mushroom Makers, Inc. v. R.G. Barry Corp., 580 F.2d 44, 48 (2d Cir. 1978). Plaintiff must still prove that a defendant's use of the same or similar term in a particular context causes a likelihood of confusion. KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc., 543 U.S. 111, 125 S. Ct. 542, 160 L. Ed. 2d 440 (2004).

2. Irreparable Harm/Likelihood of Confusion

"It is well settled in this Circuit that in trademark infringement actions, a finding of likelihood of confusion of a valid trademark between the marks in question provides sufficient grounds for issuance of a preliminary injunction, without further evidence of actual injury." Topps Co. v. Gerrit J. Verburg Co., 1996 U.S. Dist. LEXIS 18556, 1996 WL 719381, *3 (S.D.N.Y. Dec. 13, 1996) (citing American Cyanamid Co. v. Campagna Per La Farmacie In Italia S.P.A., 847 F.2d 53, 55 (2d Cir. 1988)). However, a preliminary injunction is a drastic remedy, and there must be a "clear showing" of confusion which could cause irreparable harm. Kadant, Inc. v. Seeley Mach., Inc., 244 F. Supp. 2d 19, 26 (N.D.N.Y. 2003) (citing Mazurek v. Armstrong, 520 U.S. 968, 972, 117 S. Ct. 1865, 138 L. Ed. 2d 162 (1997)). [*9] The Second Circuit employs a "multi-factor test," as established in Polaroid Corp. v. Polarad Elecs. Corp., 287 F.2d 492, 495 (2d Cir. 1961), to evaluate the likelihood of confusion in trademark infringement cases where the parties produce different products. Brennan's, 360 F.3d at 130. "This test requires analysis of several non-exclusive factors, including: (1) the strength of the mark, (2) the degree of similarity between the two marks, (3) the competitive proximity of the products, (4) actual confusion, (5) the likelihood the plaintiff will bridge the gap, (6) the defendant's good faith in adopting its mark, (7) the quality of the defendant's products, and (8) the sophistication of the purchasers." *Id.* While no factor is dispositive, the "ultimate question" is the "like-

lihood of confusion as to the *source* of the product." *Id.* (citing Lois Sportswear, U.S.A., Inc. v. Levi Strauss & Co., 799 F.2d 867, 872 (2d Cir. 1986) (emphasis added)).

a. Strength of the Absolut Mark

"The strength of a mark refers to its ability to identify the source of the goods . . ." *Id.* at 130. This [*10] analysis has two components: 1) "inherent distinctiveness" of a mark, and 2) "the distinctiveness the mark has acquired in the marketplace." *Id.* at 130-31. At least one court has found the Absolut trademark to be inherently distinctive. V&S Vin & Sprit v. Hanson, 61 U.S.P.Q.2d at 1280. V&S argues that the high level of sales of Absolut vodka, the duration of the company's hold on the market, and the popularity of the Absolut vodka advertising campaign demonstrate the strength of the Absolut mark. V&S Mem. at 14.

Absolute argues the mark is weak because V&S has "affirmatively acquiesced" in another company's use of "absolute" and refrained from initiating litigation against the many other companies which use the word. Absolute Mem. at 3-4. However, "the owner of a mark is not required to police every conceivably related use thereby needlessly reducing non-competing commercial activity and encouraging litigation in order to protect a definable area of primary importance." Playboy Enter., Inc. v. Chuckleberry Pub., Inc., 486 F. Supp. 414, 422-23 (S.D.N.Y. 1980). *See* Scarves by Vera, Inc. v. Todo Imports Ltd., 544 F.2d 1167, 1173-74 (2d Cir. 1976) [*11] ("The record does not contain any evidence to support the claim that plaintiff's trademark was weakened by uses of similar marks by third parties."). In Playboy, the court found that the company's choice to settle with "Playgirl" and not to litigate against magazines called "Players" or "Playguy," did not reduce its right to litigate against "Playmen." 486 F. Supp. at 422-23. The court approved of the company's decision to enforce its "right to protection against use of marks with the prefix 'play' in areas of direct competition, the areas most crucial to maintaining its mark's commercial value." *Id.* A similar analysis applies here. Given its status as a well-known mark, Absolut is inherently distinctive, despite the common usage of the word "absolute." V&S's choice not to litigate against other companies using the word "absolute" does not weaken the mark, and therefore this aspect of the test for strength weighs in favor of V&S.¹

1 As the Court emphasized in Playboy, the focus on "areas of direct competition," *id.*, and spelling differences is important for other factors in the Polaroid test.

[*12] However, the second aspect of the test for strength, distinctiveness in the marketplace, does not weigh in favor of V&S. Because the strength of a mark is limited to its field of registration, the particular market at issue is critical. In **Brennan's**, which involved a claim that one restaurant named "Terrance Brennan's" infringed on another named "Brennan's," the court explained that the "relevant market" is key to the analysis of the strength of a trademark. 360 F.3d at 132 ("plaintiff must demonstrate distinctiveness in the *relevant* market") (emphasis in original). In that case, the "relevant market [was] the pool of actual and potential customers of Terrance Brennan's[, the defendant], for it is those patrons whose potential confusion [was] at issue." *Id.*

Therefore, a party claiming trademark infringement must provide evidence of a mark's strength in the relevant market. *See Savin Corp. v. Savin Group*, 2003 U.S. Dist. LEXIS 19220, 2003 WL 22451731, at *9 (S.D.N.Y. Oct. 24, 2003) ("Even though plaintiff's marks may be strong in the market for sophisticated business equipment and services, professional engineering services do not reasonably [*13] fall within the broadly defined market of potentially related services."), *vacated in part on other grounds*, 391 F.3d 439 (2d Cir. 2004). V&S has presented evidence of the strength of the Absolut mark in its most widely-recognized field of the production and sale of Absolut vodka. However, Absolute's magazine is a general interest publication focused on luxury living in New York. Absolute Mem. at 15. V&S's most pertinent trademarks are 1) "Absolut Reflexions," for "magazines for people engaged in the production, marketing and sale of vodka," and 2) "Absolut," for "providing information and entertainment in the fields of art, culture, and alcoholic beverages rendered via computer by means of a global computer network." *See Kempe-Forsberg Decl.*, Exh. 1. V&S has not demonstrated the strength of these marks in relation to the field of general interest magazines. While V&S's trademarks are inherently distinctive, they have not achieved a high level of distinctiveness in the relevant marketplace. This factor weighs against V&S.

b. Similarity Between the Two Marks

There are two components of the similarity factor: 1) "whether the similarity between [*14] the two marks is likely to cause confusion and 2) what effect the similarity has upon prospective purchasers." *Sports Auth., Inc. v. Prime Hosp. Corp.*, 89 F.3d 955, 962 (2d Cir. 1996). The "analysis focuses on the particular industry where the marks compete." *Brennan's*, 360 F.3d at 133. The appropriate examination requires the court to "appraise the overall impression created by . . . the context in which [the marks] are found." *Nabisco, Inc. v. Warner-Lambert Co.*, 220 F.3d 43, 47 (2d Cir. 2000) (*quot-*

ing Streetwise Maps, Inc. v. VanDam, 159 F.3d 739, 744 (2d Cir. 1998)).

For its magazine title, Absolute uses a script typography of "Absolute" in upper and lower-case letters, with a byline of "New York" or "New York at its Best" at the top of the page. *See Ludovici-Lint Decl.*, Exh. D; *Garza Decl.*, Exh. 1. The magazine has used various kinds of art and photographs on the cover below the title. *Id.* In comparison, V&S's famed advertisements for Absolut Vodka always depict the Absolut Vodka bottle and employ a two-word phrase, usually at the bottom of the page and in block [*15] typography: "Absolut New York," "Absolut Manhattan," and "absolut cummings," for example. *See Kempe-Forsberg Decl.*, Exh. 2; *Garza Decl.*, Exh. 2. *Absolut Reflexions* uses the same block typography as Absolut Vodka, placing the title at the top of the page of the cover of the magazine. *See Kempe-Forsberg Decl.*, Exh. 9.

V&S describes the two marks as "virtually identical" in "both sight and sound," and makes much of the fact that there is but one-letter difference between "Absolut" and "Absolute." V&S Mem. at 15. It relies on cases in which a one-letter or number difference was found insignificant. *See, e.g., Nikon Inc. v. Ikon Corp.*, 987 F.2d 91, 94 (2d Cir. 1993) ("Nikon" and "Ikon" for cameras); *Tactica Int'l, Inc. v. Atlantic Horizon Int'l, Inc.*, 154 F. Supp. 2d 586, 602 (S.D.N.Y. 2001) ("CELLULIFT" and "CELLULIFT 2" for beauty products); *Application of Helene Curtis Indus. Inc.*, 305 F.2d 492, 493-94, 49 C.C.P.A. 1367, 1962 Dec. Comm'r Pat. 634 (C.C.P.A. 1962) ("BEAUTY SET" and "BEAUTY NET" for hair products). However, the overall appearance is critical, and a mark must be viewed in "its complete form rather than dissected into its [*16] component parts." *Lane Capital Mgmt., Inc. v. Lane Capital Mgmt., Inc.*, 15 F. Supp. 2d 389, 395 (S.D.N.Y. 1998). In the cases cited by V&S, the courts found other factors led to a likelihood of confusion. In *Nikon*, the fact that the companies used similar packaging for their cameras and the two products were displayed in the same manner supported the finding that a one-letter difference did not mitigate the likelihood of confusion. 987 F.2d at 94-95. In *Tactica*, the court found likelihood of confusion because the two beauty products at issue were "quite similar," designed for the same purpose, and distributed through the same channels. 154 F. Supp. 2d at 603. In *Helene Curtis*, 305 F.2d at 493-94, the court rejected a patent application for "BEAUTY NET" for hair spray because of the likelihood of confusion with existing product "BEAUTY SET," a hair conditioning creme and color rinse. The court noted that not only were the words "net" and "set" similar but they had essentially the same meaning in relation to hair, and the company producing

"BEAUTY SET" had the right to expand into the production [*17] of hair spray. *Id.*

V&S points out that the sound of the two words in this case is also the same. V&S Mem. at 15. In Virgin Enters. v. Nawab, 335 F.3d 141, 149 (2d Cir. 2003), the court considered the sound of the two marks at issue:

Advertisement and consumer experience of a mark do not necessarily transmit all of the mark's features. Plaintiff, for example, advertised its Virgin Megastores on the radio. A consumer who heard those advertisements and then saw the defendants' installation using the name VIRGIN would have no way of knowing that the two trademarks looked different. . . . In view of the fact that defendants used the same name as plaintiff, we conclude the defendants' mark was sufficiently similar to plaintiff's to increase the likelihood of confusion.

However, this case is distinguishable from Virgin. First, "Absolute" and "Absolut," as written, are not identical. Even if consumers might initially be confused by an audio advertisement, they would no longer be confused once they saw the products in person. Second, V&S has presented no evidence that consumers might first *hear* about Absolute's magazine rather [*18] than *see* it. In contrast to the industry in Virgin, both V&S's advertisements and Absolute's magazine operate in a primarily visual context. Therefore, the similarity factor also weighs against V&S.

c. Competitive Proximity of the Products

"The third factor addresses whether, due to the commercial proximity of the competitive products, consumers may be confused as to their source." *Id.* It is not necessary for the products to be in direct competition; rather, the Polaroid test "was specially designed for a case like this one, in which the secondary user is not in direct competition with the prior user, but is selling a somewhat different product or service." Virgin, 335 F.3d at 150. However, "products sharing the same channel of trade are not necessarily proximate." Federal Express Corp. v. Federal Espresso, 1998 U.S. Dist. LEXIS 15607, 1998 WL 690903, at *15 (N.D.N.Y. Sept. 30, 1998).

V&S argues that the parties' marketing channels and goods overlap, and maintains that its trade publication, *Absolut Reflexions*, "reports on a wide array of topics, including the worlds of art, fashion, food and drink, music, travel and contemporary [*19] culture." V&S Mem.

at 16 (citing Kempe-Forsberg Decl., P19). Absolute counters that *Absolut Reflexions* is distributed for free to professionals in the alcoholic beverage industry, which eliminates any actual economic competition between the parties. *See* Absolute Mem. at 11, 20.

It is likely that the parties' products appeal to a similar group. Participants in the alcoholic beverage industry who receive *Absolut Reflexions* could also be interested in luxury living in New York and buy copies of Absolute's magazine. Drinkers of Absolut Vodka may consider themselves among the "individuals who shape New York's business, social, and philanthropic circles," Ludovici-Lint Decl., Exh. B, and buy the magazine. Courts have found trademark infringement in cases in which companies' products are different but appeal to the same consumer group or are closely related in some other way. *See, e.g., Dreyfus Fund, Inc. v. Royal Bank of Canada*, 525 F. Supp. 1108, 1118 (2d Cir. 1981) ("Whether direct competition between these two parties[, a bank and a provider of mutual funds,] actually develops cannot be predicted, but a sufficient relationship exists between [*20] their present services to make it reasonable to expect that consumers might confuse them or the services they offer."); Scarves by Vera, 544 F.2d at 1174.

Competitive proximity must be measured in reference to the strength of the V&S marks, which is limited to the fields in which the marks are registered, and the relative dissimilarity of the two companies' marks as viewed in context. The key is the possibility of confusion in the context in which consumers encounter, and consider purchasing, the parties' products. *See Arrow Fastener Co., Inc. v. Stanley Works*, 59 F.3d 384, 396-67 (2d Cir. 1995). For example, in Hormel Foods Corp. v. Jim Henson Prods., 73 F.3d 497, 504 (2d Cir. 1996), the Second Circuit emphasized that, when parties' original products "occupy distinct merchandising markets," even if other products manufactured by those companies overlap, "the separation between the [primary] markets . . . carries over into the secondary merchandising market." The court found little likelihood of confusion in Hormel because "SPAM merchandise and Muppet merchandise featuring Spa'am . . . derive [*21] their associations from a primary product--luncheon meat, in the case of SPAM, and a Muppet motion picture, in the case of Spa'am." *Id.*

While the parties' products in this case are not quite as disparate as luncheon meat and a puppet bearing a similar name, the same logic applies. Any consumer attention to V&S's print and internet-based publications is rooted in the popularity of its primary product, Absolut Vodka, which operates in a distinct market from Absolute's general interest magazine. Furthermore, because *Absolut Reflexions* is distributed for free, V&S has no loss of sales. Although the parties' products may appeal

to a similar consumer group, V&S cannot show competitive proximity between its trade publication, or its vodka, and Absolut's magazine.

d. Likelihood that the Senior User will Bridge the Gap

The appropriate question for the fourth factor is whether the plaintiff is likely to enter defendant's area of business or whether the average customer would perceive that possibility as likely. Fed Ex, 1998 U.S. Dist. LEXIS 15607, 1998 WL 690903, at *16. "This factor is designed to protect the senior user's 'interest in being able to enter a related field at [*22] some future time.'" W.W.W. Pharm. Co. v. Gillette Co., 984 F.2d 567, 574 (quoting Scarves by Vera, 544 F.2d at 1172), *aff'd*, 984 F.2d 567 (2d Cir. 1993). V&S has not presented any evidence of an intention to expand into Absolut's market by publishing a general interest magazine. While V&S emphasizes that *Absolut Reflexions* contains a wide range of articles, the publication is clearly intended to promote Absolut Vodka. A general interest magazine is not within V&S's "natural zone of expansion." Westchester Media v. PRL USA Holdings, Inc., 214 F.3d 658, 668 (5th Cir. 2000). As V&S has presented no evidence of an intent to expand by selling a general-interest magazine, this factor weighs against any finding of a likelihood of confusion. See W.W.W. Pharm. Co., 984 F.2d at 574.

e. Actual Confusion

Evidence of actual consumer confusion is strong evidence of a likelihood of confusion. Mobil Oil Corp. v. Pegasus Petroleum Corp., 818 F.2d 254, 259 (2d Cir. 1987). "Even if the movant shows actual confusion by only a small percentage of [*23] buyers, he may sustain his case based on the inference that a few proven instances of actual confusion betoken a more substantial likelihood of confusion." Lon Tai Shing Co., Ltd. v. Koch + Lowy, 19 U.S.P.Q.2d 1081, 1089-90 (S.D.N.Y. 1991). Confusion, whether actual or likely, can take various forms. First, a consumer may buy one product mistakenly thinking it is a different product. Playboy, 486 F. Supp. at 428. Second, a consumer may be "confused as to source," and think that a plaintiff company's product is associated with a defendant company. *Id.* Third, a defendant may "gain a foothold in plaintiff's market by exploiting subliminal or conscious association with plaintiff's well-known name." *Id.* at 428. It is not necessary for a plaintiff to present "evidence of mistaken completed transactions." Morningside Group Ltd. v. Morningside Capital Group, L.L.C., 182 F.3d 133, 141 (2d Cir. 1999). Confusion as to "affiliation, connection, or association[,] . . . damage to good will, or loss of control over reputation," are actionable forms of trademark infringement. *Id.*; Dallas Cowboys Cheerlead-

ers, Inc. v. Pussycat Cinema, Ltd., 604 F.2d 200, 204-05 (2d Cir. 1979). [*24]

V&S alleges that the second and third forms of confusion are at issue in this case. V&S's evidence of actual confusion, however, is insufficient to support an inference of a likelihood of confusion. V&S presents an "admission" by Absolut in the first issue of the magazine, in which the editor mentioned that callers had been asking if the magazine is related to the vodka. V&S Mem. at 19. While this demonstrates that some people - the number is unknown - have sought to clarify a possible association between the companies, "there is a difference between isolated expressions of momentary confusion and confusion that leads to actual purchasing decisions." Trs. of Columbia Univ. v. Columbia/HCA Healthcare Corp., 964 F. Supp. 733, 747 (S.D.N.Y. 1997). In Trs. of Columbia Univ., several doctors testified that patients thought the defendant's advertisements were associated with the plaintiff. *Id.* The court found this evidence *de minimis*, stating, "the relevance of this type of evidence is lessened by the small number of people who allegedly expressed confusion and the absence of a valid statistical sample." *Id.*

This case is similar. [*25] V&S's evidence of actual confusion is minimal. Furthermore, V&S has presented no evidence that the confusion has had any impact on consumers' choices to the detriment of the company. While evidence of actual mistaken transactions is not necessary, the kind of consumer confusion which the law protects against is "that which affects the purchasing and selling of the goods or services in question." Lang v. Retirement Living Pub. Co., 949 F.2d 576, 583 (2d Cir. 1991) (internal quotations omitted). Because V&S's evidence of some actual confusion is *de minimis*, this factor also weighs against a finding of likelihood of confusion.

e. Intent to Confuse

If a defendant "adopted its mark with the intention of capitalizing on plaintiff's reputation and good will and any confusion between his and the senior user's product," the court may find bad faith, and therefore, likelihood of confusion. *Id.* (internal quotations omitted). Prior knowledge of another's trademark and continued use after notice from the plaintiff both support a finding of bad faith. Mobil Oil Corp., 818 F.2d at 258 (2d Cir. 1987); Stern's Miracle-Gro Prods., Inc. v. Shark Prod., Inc., 823 F. Supp. 1077, 1088 (S.D.N.Y. 1993). [*26] However, such prior knowledge does not necessitate an inference of bad faith "where the presumption of an exclusive right to use a registered mark extends only to the goods and services noted in a registration certificate." Arrow Fastener, 59 F.3d at 397. If a plaintiff's mark is long-standing and the marks are very similar, a defendant must provide "a reasonable explanation of its

choice [in order] to establish lack of intent to deceive." Stern's Miracle-Gro, 823 F. Supp. at 1087. "Selection of a mark that reflects the product's characteristics, request for a trademark search and reliance on the advice of counsel are [also] factors that support a finding of good faith." Lang, 949 F.2d at 583.

V&S argues that Absolute's mailer announcement of the magazine and advertisement in *Impact* alluded to Absolut Vodka and therefore demonstrate Absolute's intent to confuse the magazine with V&S's trademarks. V&S Mem. at 20. V&S also notes that Absolute has had constructive notice of V&S's marks because of the strength of the marks, and actual notice since March 2005 when V&S began pursuing its claim of infringement. [*27] *Id.* Absolute offers the explanation that "absolute" is a common English word and that the addition of the "New York" byline makes the Absolute mark unique. Absolute Mem. at 14. Absolute also emphasizes the differences between the two companies' products. *Id.*

Where Absolute may have alluded to the Absolut Vodka ads with words, there is no sign of Absolut's distinctive bottle in Absolute's materials. The allusions do, however, raise questions about the company's intent. Absolute did not present evidence of pursuing a trademark search or seeking the advice of counsel. Furthermore, Absolute has not explained why the term is particularly appropriate for the company's magazine. This factor weighs in plaintiff's favor.

f. Quality of the Products and Sophistication of the Buyers

The final two factors of the Polaroid test involve an analysis of the quality of the companies' products and the "sophistication" of the consumers likely to purchase the products. If the defendant's product is inferior, the plaintiff's reputation could be affected by any association consumers might make. Fed Ex, 1998 U.S. Dist. LEXIS 15607, 1998 WL 690903, at *18. On the other hand, [*28] similarity in quality between the products could also increase the likelihood that consumers would associate the defendant's product with the plaintiff's company. Lois Sportswear, U.S.A., Inc. v. Levi Strauss & Co., 799 F.2d 867, 875 (2d Cir. 1986). In addition, confusion will be less likely the more "sophisticated" the typical consumer may be.

V&S argues that, while Absolute's magazine appears to be high-quality, the content is unknown. V&S Mem. at 21. V&S has no control over that content, and any problems concerning the magazine could be attributed to their company. *Id.* V&S also relies on the "impulse purchase" nature of magazines, arguing that consumers may glance at the cover, associate the magazine with V&S, and buy it thinking it is related to Absolut Vodka. *Id.* Absolute contends that the readers of its magazine are

"wealthy and discerning," unlikely to buy anything on impulse. Absolute Mem. at 16.

Neither V&S nor Absolute have presented any particularly weighty evidence as to quality or buyer sophistication. The buyers of Absolut Vodka and Absolute's magazine are probably equally discerning. The parties' primary products, Absolut [*29] Vodka and Absolute's magazine, are entirely distinct and unlikely to be confused. The two publications at issue are also easily differentiated as *Absolut Reflexions* is a trade publication, distributed for free, and Absolute's magazine is a general interest magazine. Consumers are unlikely to confuse the two. As for V&S's argument concerning lack of control over Absolute magazine's content, the foregoing analysis of the other Polaroid factors demonstrate that confusion is largely unlikely, and what little confusion there may be has little impact on V&S's reputation. Neither quality of product nor sophistication of buyer change that analysis.

h. Balancing of the Factors

After analyzing each of the Polaroid factors separately, "the court should weigh each . . . in light of the totality of its findings." Fed Ex, 1998 U.S. Dist. LEXIS 15607, 1998 WL 690903, at *18. "Where the parties are using similar marks on different products and where the balance of considerations ensures against a likelihood of confusion, the law does not give the plaintiff exclusive rights to usage of a particular trademark." W.W.W. Pharm., 808 F. Supp. at 1025.

There is some [*30] question about Absolute's intent because of allusions to the Absolut Vodka advertising campaign in advertisements for the magazine. However, all the other factors weigh against a likelihood of confusion in this case. While V&S owns strong trademarks, none of those marks are distinctive within Absolute's market. The two companies' marks are not similar enough to cause more than momentary confusion. Their products are not competitively proximate, first, because their primary products are distinct, and second, because V&S's publication is a trade publication unlikely to compete with Absolute's general interest magazine. V&S has not demonstrated any intention to enter into Absolute's market. V&S's evidence of actual confusion is *de minimis* and shows no impact on consumers' choices. Neither the sophistication of the buyers nor the quality of the products affects this analysis.

V&S cannot be protected from every mark that is slightly similar to "Absolut." See Dreyfus Fund, Inc., 525 F. Supp. at 1114. As the Polaroid factors make clear, trademark protection under the Lanham Act is limited by the parties' trademark registrations, their respective products, [*31] and the markets in which they are sold. See Savin Corp., 2003 U.S. Dist. LEXIS 19220,

2003 WL 22451731, at *9. Most critical to the consideration of a motion for preliminary injunction, V&S has not presented any evidence of the impact of any possible confusion between *Absolut Reflexions* and Absolute's magazine. In other cases granting preliminary injunctions, a showing of irreparable harm has been substantial. *See, e.g., Playboy*, 486 F. Supp. at 429 ("Rather than rely on an inference of irreparable harm, plaintiff presented ample evidence demonstrating the manner in which it would suffer economic harm from the publication, distribution, and sale of defendants' proposed magazine.").

Because I have found V&S has not demonstrated a likelihood of confusion, I therefore conclude that V&S has failed to show a likelihood of success on the merits of its trademark infringement claim. The alternative route to a preliminary injunction is to demonstrate "sufficiently serious questions going to the merits to make them a fair ground for litigation and a balance of the hardships tipping decidedly in the movant's favor." *Jackson Dairy*, 596 F.2d at 72. [*32] Because one factor of the *Polaroid* test does weigh in plaintiff's favor, intent to confuse, I find there are some questions going to the merits of the case. However, this sole factor is insufficient to tip the balance of the hardships in V&S's favor, especially given *First Amendment* concerns.

The *First Amendment* is an issue here because a preliminary injunction would implicate Absolute's "right to choose an appropriate title for literary works." *Westchester Media*, 214 F.3d at 664. The Second Circuit has held that "literary titles do not violate the Lanham Act 'unless the title has no artistic relevance to the underlying work whatsoever, or, if it has some artistic relevance, unless the title explicitly misleads as to the source or the content of the work.'" *Twin Peaks Prod., Inc. v. Publ'ns Intern.*, 996 F.2d 1366, 1379 (2d Cir. 1993) (quoting *Rogers v. Grimaldi*, 875 F.2d 994, 999 (2d Cir. 1989)). Absolute did not explain the choice of its magazine's title or its relevance, but it cannot be said at this juncture that the title has *no* artistic relevance. It is also clear the title does not *explicitly* [*33] mislead consumers.

Westchester Media, a Fifth Circuit case similar to this one, involved a claim that a lifestyle magazine named "Polo" infringed the Ralph Lauren "Polo" trademark for clothing, accessories, fragrances, and home furnishings. 214 F.3d at 661. The court affirmed a preliminary injunction despite *First Amendment* concerns. The court adopted the Second Circuit approach which requires that the "likelihood of confusion must be particularly compelling to outweigh the *First Amendment* interests at stake." *Id.* at 665 (citing *Twin Peaks*, 996 F.2d at 1379). The court found that the magazine and

products targeted the same consumers and used the same retail outlets, and that the magazine's emphasis on fashion, affluent lifestyle, and travel could lead to association between the companies. *Id.* at 668. Based on surveys and anecdotal evidence of actual confusion, and the finding that the defendant acted with intent to confuse, the court found the likelihood of confusion particularly compelling, and therefore sufficient to override *First Amendment* concerns. *Id.* This case is distinct. I have found [*34] *no* likelihood of confusion under the *Polaroid* test, let alone a particularly compelling likelihood. The factors present in *Westchester Media* are not present in this case. The *First Amendment*, therefore, tips the balance of the hardship decidedly toward the defendant, precluding the grant of a preliminary injunction.

IV. CONCLUSION

There are some questions on the merits of V&S's Lanham Act claim principally because of some evidence of an intent to confuse on the part of Absolute. However, because of overriding *First Amendment* concerns, the hardships do not balance in V&S's favor. Similarly, V&S has not met its burden of establishing a likelihood of success on the merits, therefore failing to demonstrate the necessary irreparable harm for a preliminary injunction. I recommend that the motion be **DENIED**.

Pursuant to *Rule 72, Federal Rules of Civil Procedure*, the parties shall have ten (10) days after being served with a copy of the recommended disposition to file written objections to this Report and Recommendation. Such objections shall be filed with the Clerk of the Court and served on all adversaries, with [*35] extra copies delivered to the chambers of the Honorable Richard M. Berman, 40 Centre St., Room 201, and to the chambers of the undersigned, Room 1970. Failure to file timely objections shall constitute a waiver of those objections both in the District Court and on later appeal to the United States Courts of Appeals. *See Thomas v. Arn*, 474 U.S. 140, 150, 106 S. Ct. 466, 88 L. Ed. 2d 435 (1985); *Small v. Sec'y of Health and Human Serv.*, 892 F.2d 15, 16 (2d Cir. 1989) (*per curiam*); 28 U.S.C. § 636 (b)(1) (West Supp. 1995); Fed. R. Civ. P. 72, 6(a), 6(e).

DATED: November 22, 2005

New York, New York

Respectfully Submitted,

The Honorable Ronald L. Ellis

United States Magistrate Judge